

If no tangible personal property is transferred to customers, then no Illinois Retailers' Occupation Tax, Use Tax, Service Occupation Tax Act, or Service Use Tax liability would be incurred on the sales to those customers. See 86 Ill. Adm. Code 130.301. (This is a PLR.)

October 27, 2004

Dear Xxxxx:

This letter is in response to your letter dated July 31, 2003 in which you request information. The Department issues two types of letter rulings. Private Letter Rulings ("PLRs") are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. A PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. Persons seeking PLRs must comply with the procedures for PLRs found in the Department's regulations at 2 Ill. Adm. Code 1200.110. The purpose of a General Information Letter ("GIL") is to direct taxpayers to Department regulations or other sources of information regarding the topic about which they have inquired. A GIL is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120. You may access our website at [www.ILTAX.com](http://www.ILTAX.com) to review regulations, letter rulings and other types of information relevant to your inquiry.

Review of your request disclosed that all the information described in paragraphs 1 through 8 of Section 1200.110 appears to be contained in your request. This Private Letter Ruling will bind the Department only with respect to COMPANY, for the issue or issues presented in this ruling, and is subject to the provisions of subsection (e) of Section 1200.110 governing expiration of Private Letter Rulings. Issuance of this ruling is conditioned upon the understanding that neither COMPANY nor a related taxpayer is currently under audit or involved in litigation concerning the issues that are the subject of this ruling request. In your letter you have stated and made inquiry as follows:

Pursuant to 2 Ill. Adm. Code 1200.110, we are requesting from the Illinois Department of Revenue ('DOR') a Private Letter Ruling ('PLR') on behalf of our client, ('the Company'). COMPANY is a STATE corporation, headquartered in STATE2, which sells a web-based information service to Illinois customers. Our PLR request focuses on the sales/use taxability of COMPANY's service in Illinois.

Please note that on December 3, 2002, we submitted a General Information Letter ('GIL') request to the DOR, pursuant to 2 Ill. Adm. Code 1200.120, regarding this identical issue. On March 3, 2003, you issued the DOR's GIL response (see attached copy).

We wish to incorporate the statement of facts and arguments of law contained in the GIL request for purposes of this PLR request. Based on the information presented to the DOR in the GIL request, we believe that the statement of facts and arguments of law included therein, meet the requirements of 2 Ill. Adm. Code 1200.110(b)(1), (5) & (6). If any additional information or explanation is required, we will comply with such a request.

Beyond the referenced GIL, to the best of the knowledge of both COMPANY and myself, the DOR has not previously ruled on the same or a similar issue for the Company or any predecessor. Further, neither the Company nor I have previously submitted the same or a similar issue to the DOR but withdrew it before a letter ruling was issued.

I have attached the copy of Illinois Form IL-2848 (Power of Attorney) required under 2 Ill. Adm. Code 1200.110(a)(1).

We respectfully request a PLR concerning the above-referenced issues. In the event that you need additional information relating to this request, please do not hesitate to contact me.

Further, in the event that the State of Illinois is inclined to rule differently with this PLR than it did with the GIL, COMPANY respectfully requests that Illinois notify it of such determination prior to issuance of such PLR.

Again, if any questions arise or any clarification is needed, please feel free to call me.

Best regards.

#### **DEPARTMENT'S RESPONSE:**

The information you have provided states that COMPANY provides electronic business and financial information through a database accessed through the Internet. In addition, you have stated that no software or other tangible personal property is transferred to its customers. Based upon these representations that no tangible personal property is transferred to COMPANY's customers, COMPANY would not incur Illinois Retailers' Occupation Tax, Use Tax, Service Occupation Tax, or Service Use Tax liability on the downloads of database information.

The facts upon which this ruling are based are subject to review by the Department during the course of any audit, investigation, or hearing and this ruling shall bind the Department only if the material facts as recited in this ruling are correct and complete. This ruling will cease to bind the Department if there is a pertinent change in statutory law, case law, rules or in the material facts recited in this ruling.

I hope this information is helpful. If you have further questions concerning this Private Letter ruling, you may contact me at (217) 782-2844. If you have further questions related to the Illinois sales tax laws, please visit our website at [www.ILTAX.com](http://www.ILTAX.com) or contact the Department's Taxpayer Information Division at (217) 782-3336.

Very truly yours,

Terry D. Charlton  
Associate Counsel